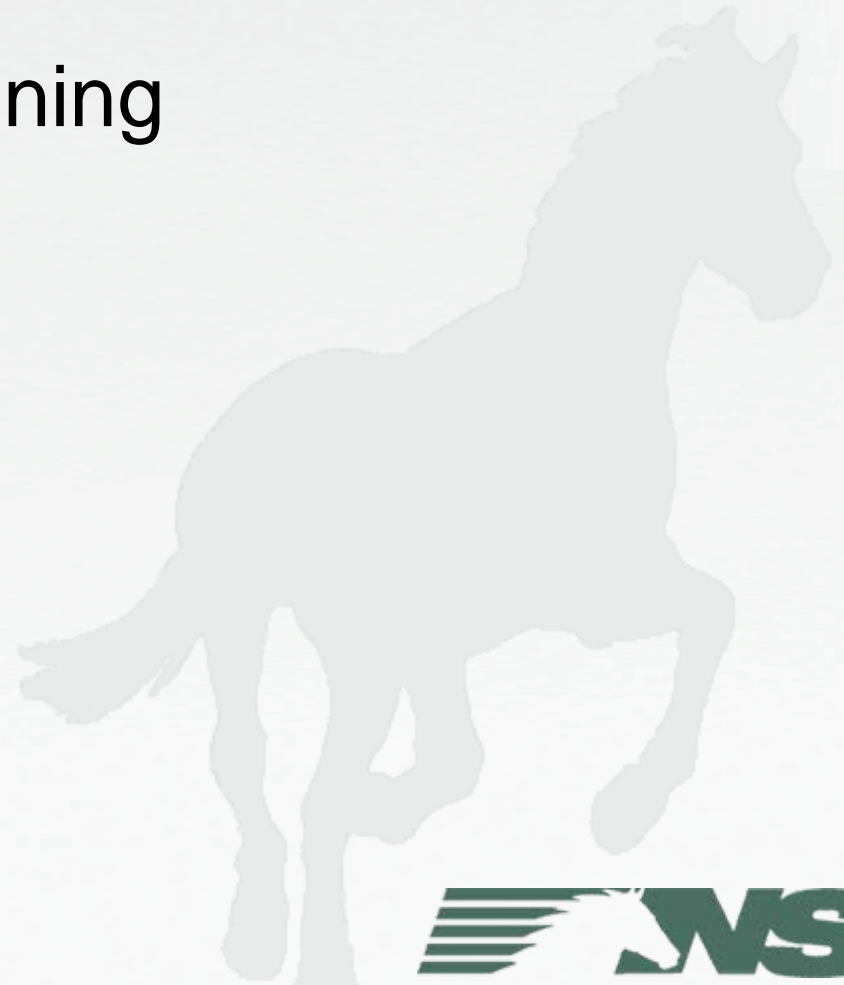


# **Crescent Corridor and I-81 Study Update**

**Bill Schafer**

**Director – Strategic Planning**

**Virginia Rail Advisory Board  
Richmond, Virginia  
July 12, 2007**



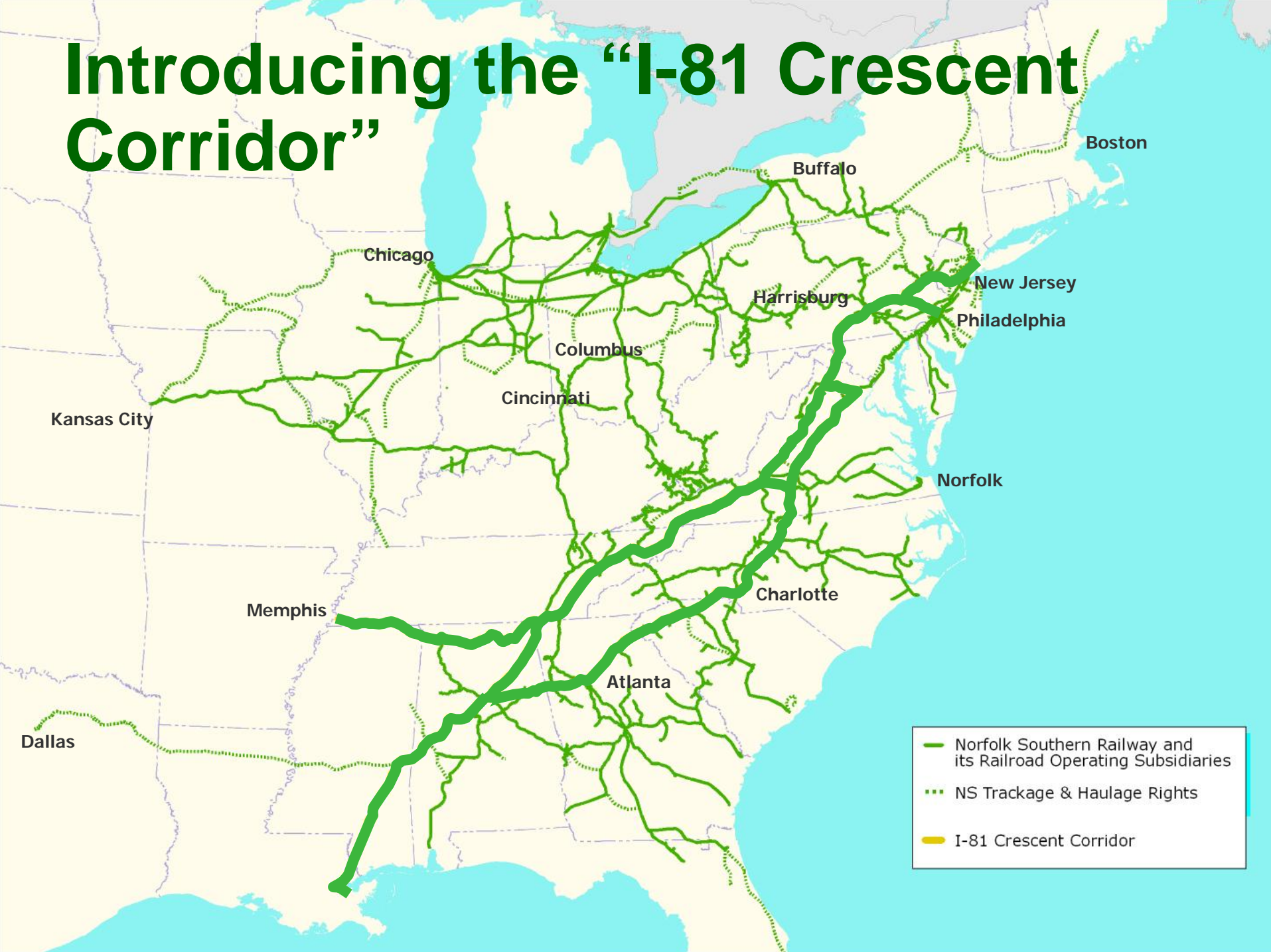
# Development of Strategic Corridors



# Strategic Corridors

- Meridian Speedway
  - \$300 Million NS Investment
  - Linking Sunbelt Markets
- Heartland Corridor
  - Public-Private Partnership
  - Emerging Hampton Roads-Midwest Markets
- Crescent Corridor

# Introducing the “I-81 Crescent Corridor”

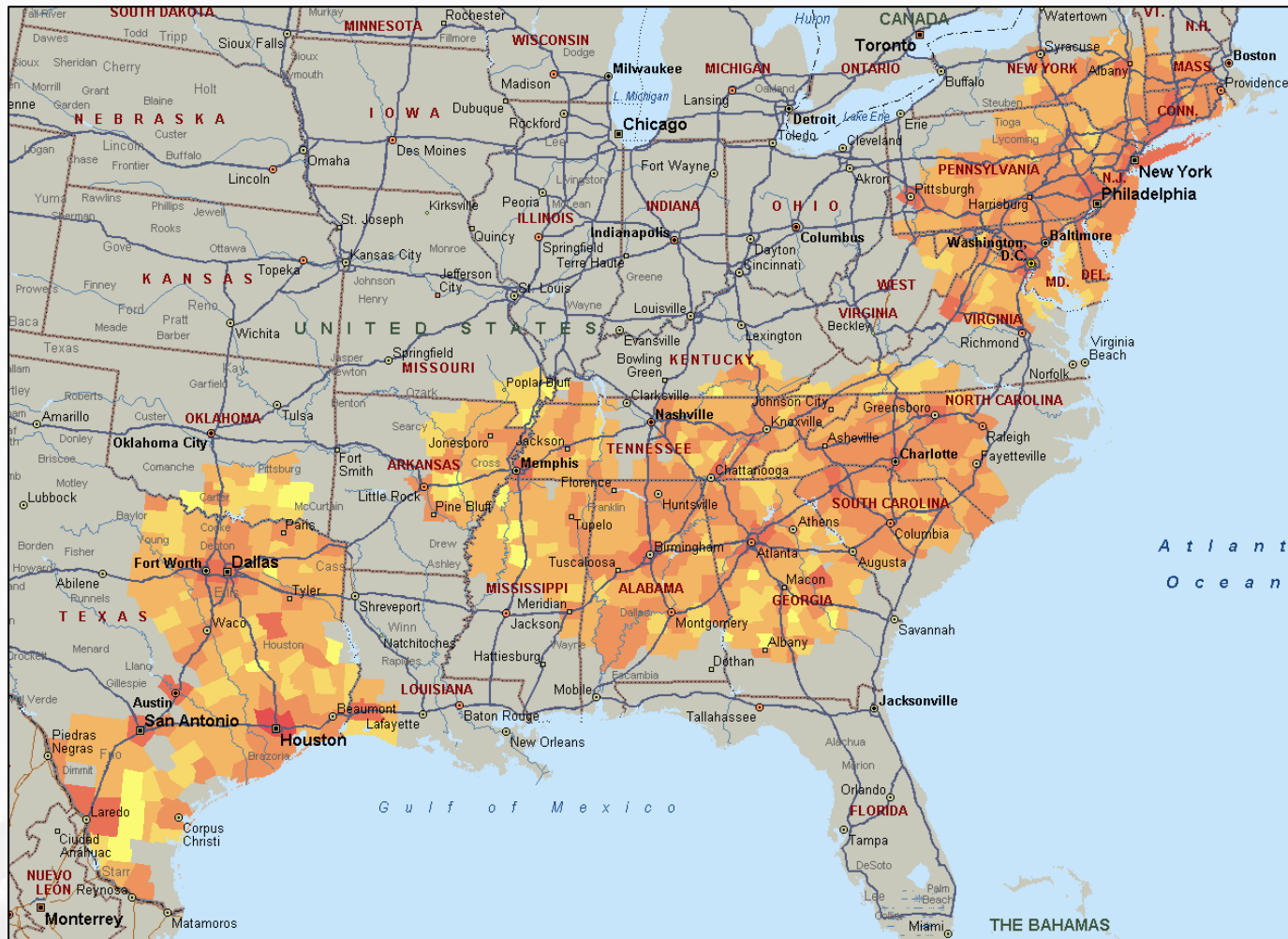




# Crescent Corridor – Significant Freight Potential for NS

- Long haul intermodal services along I-20, I-40, I-75, I-85 and I-81 Corridors are largely undeveloped
- Significant highway congestion exists on portions of these routes, particularly in Virginia
- NS estimates that there are over 1 million divertible truckloads in this corridor
- Motor carriers interested in developing rail services in this corridor

# Market Assessment of Freight Volumes

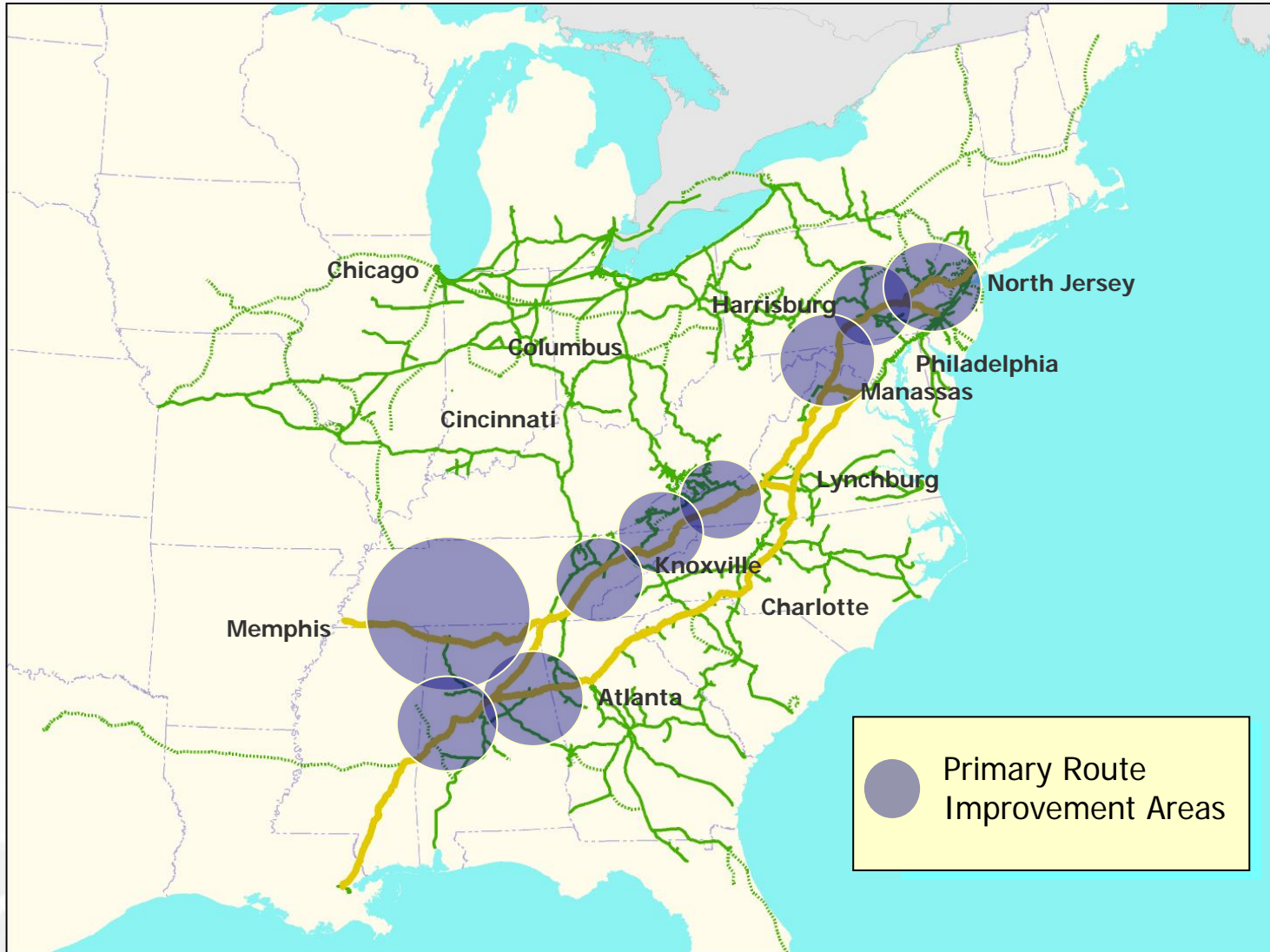


# Developing a Better Product to Attract Highway Freight

- High quality services will be competitive with single-driver transit times
- 28 new trains will be introduced as the network is developed
- Service will be available to all motor carriers, intermodal marketing companies and private fleets with rail trailers and/or containers

# I-81 Crescent Corridor

## Route Improvements

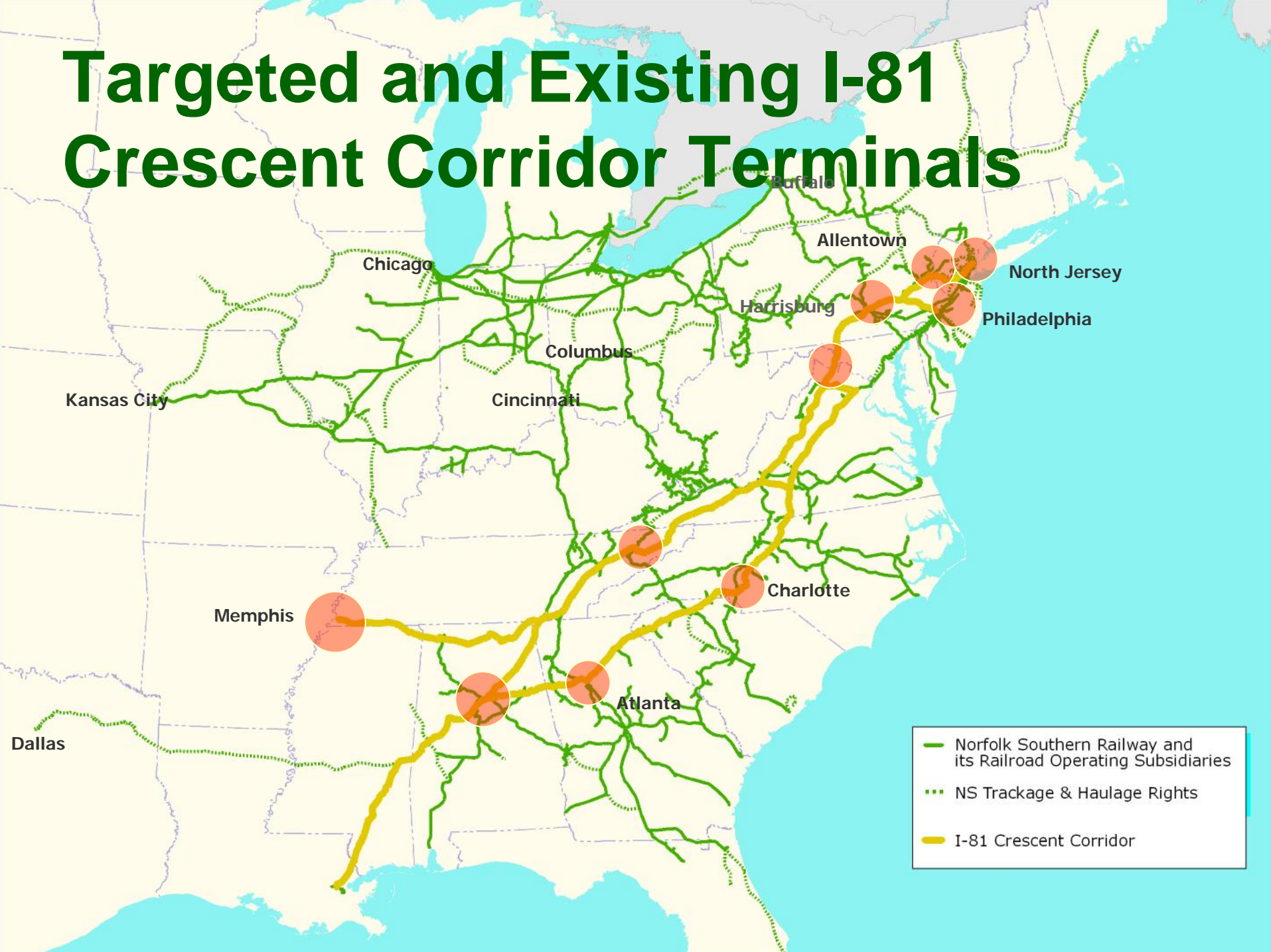




# Core Investments

- Concentrations
  - Meridian-Atlanta
  - Memphis-Roanoke
  - Manassas-Harrisburg-North Jersey
- Improvements
  - Better Track Speeds
  - More Sidings and Second Main Tracks
  - Improved Signaling

# Targeted and Existing I-81 Crescent Corridor Terminals



# The Crescent Corridor

## The Imperative for Public Investment

- Safety
- Highway Congestion Mitigation
- Deferred/Reduced Highway Maintenance
- Deferred/Reduced Highway Expansion
- Environmental Benefits
  - Fewer Emissions
  - More Efficient Land Use
  - Less Fuel Consumption
- Economic Development

# I-81 Crescent Corridor Development

- Investments to begin in 2007-08
- Followed thereafter by first new or improved services
- Network completion and as many as 28 additional trains

# I-81 Crescent Corridor Summary

- NS is prepared to develop high quality, truck competitive services in broad geographic market
- I-81 Crescent Corridor offers significant growth opportunity for Norfolk Southern
- Investment will be considerable and will require public investment to complete



# Update: I-81 and Related Studies

- Crescent Corridor
  - Intermodal Marketing – Market Potential
  - Strategic Planning – Capacity Assessment
  - Planning Horizon – 2012
- Report Due in July
  - Mostly for NS Use
  - Will Include Benefits to Virginia

# Update: I-81 and Related Studies

- I-81 Freight Rail Study in Virginia
  - Intermodal Train Impact on I-81 Truck Traffic
  - Evaluation of Rail Capacity Needed
  - Planning Horizons – 2020 and 2035
  - Responding to HB 1581
- Revised Completion – October
  - Coordinated with DRPT and VDOT
  - Will Be Incorporated in DRPT Strategic Rail Planning Initiatives

# Thank You

